

Message Text

UNCLASSIFIED

PAGE 01 TUNIS 01395 071710Z

10

ACTION COME-00

INFO OCT-01 NEA-09 ISO-00 EB-07 AGR-10 CIAE-00 INR-07

NSAE-00 EUR-12 /046 W

----- 071225

R 071625Z MAR 75

FM AMEMBASSY TUNIS

TO SECSTATE WASHDC 8416

UNCLAS TUNIS 1395

E.O. 11652: N/A

TAGS: BEXP, TS

SUBJ: NEAR EAST MARKETS FOR U.S. WEST COATS LUMBER AND PLYWOOD

REF: SECSTATE 39568

1. TUNISIAN WOOD MARKET IS HEAVILY DOMINATED BY HARD AND SOFT WOODS IMPORTED FROM YUGOSLAVIA AND U.S.S.R. WESTERN EUROPE (FRANCE AND AUSTRIA) AND CANADA ALSO HAVE SIZEABLE SHARE. ALTHOUGH BILATERAL TRADING AGREEMENTS WITH EAST EUROPE AND U.S.S.R. INCLUDE QUOTA FOR WOOD, MAJOR IMPORTERS CITE QUALITY AND PRICE AS THE TWO PRIMARY CONSIDERATIONS IN DETERMINING SOURCE OF WOOD IMPORTS.

2. DOMESTICALLY, TUNISIA PRODUCES PLYWOOD AND WOOD PARTICULATE. THIS INDUSTRY IS PROTECTED BY 22 1/2 AND 32 1/2 PERCENT AD VALOREM DUTY RATES RESPECTIVELY, MAKING IMPORTED PLYWOOD GENERALLY NON-COMPETITIVE. CURRENT PRACTICE IN OFFICE OF COMMERCE IS TO DISCOURAGE LICENSES TO IMPORT PLYWOOD. ROUGH AND FINISHED LUMBER IS IMPORTED WITH A 6 PER CENT DUTY. A CUSTOMS FEE OF 2 1/2 PER CENT IS ADDED TO ALL IMPORT PRICES. DUTIES ARE LEVIED ON CIF OR C AND F PRICES.

3. IN 1973, TUNISIA IMPORTED \$13 MILLION OF ROUGH LUMBER; \$136,000 OF PLYWOOD AND PRESSED WOOD. IMPORTS ARE APPROXIMATELY EQUALLY DIVIDED BETWEEN HARD AND SOFT WOODS. HARDWOODS ARE IMPORTED FROM SCANDINAVIA AND NORTHERN U.S.S.R., AND CORRESPOND MOST CLOSELY TO YELLOW, OREGON AND PITCH PINE.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TUNIS 01395 071710Z

TRADITIONAL SUPPLIERS ARE FINLAND AND SWEDEN, BUT U.S.S.R.

SHARE IS INCREASING DESPITE BAD APPEARANCE OF THE WOOD DUE TO CARELESS SAWING: (THIS DESCRIPTION IS FROM MAJOR WOOD IMPORTER.) YELLOW PINE ITSELF IS CONSIDERABLY MORE DIFFICULT TO WORK THAN THE WOODS NOW IMPORTED AND IS NOT RPT NOT POPULAR AMONG TUNISIAN WOOD USERS. SOFT WOODS COME FROM YUGOSLAVIA, SOUTHERN U.S.S.R. AND CANADA AND CORRESPOND TO SOUTHERN PINE OR HEMLOCK. IMPORTS FROM CANADA ARE FIR. EXOTIC WOODS, E.G. MAHOGANY AND TEAK, ARE IMPORTED FROM OTHER AFRICAN COUNTRIES.

4. MAIN CONSTRUCTION MATERIAL IS CONCRETE, CONCRETE BLOCKS, ROUGH BRICKS, AND STONES. INCREASINGLY, POURED CONCRETE IS BEING USED IN LARGER CONSTRUCTION PROJECTS, INCLUDING GROUPED RESIDENTIAL HOUSING. FORMS FOR POURED CONCRETE ARE MADE OF BOARD LUMBER RATHER THAN PLYWOOD. WHOLE THIS WOULD APPEAR TO BE EXCELLENT OPPORTUNITY FOR MAJOR SALES OF PLYWOOD, THE HIGH RELATIVE LOCAL COST OF IMPORTED PLYWOOD (DUE TO DUTY), THE PRESENT LOW QUALITY OF DOMESTIC PLYWOOD (IT COMES UNGLUED EASILY) AND THE ENGRAINED HABIT OF USING BOARD LUMBER MITIGATE AGAINST EARLY SWITCH TO PLYWOOD. ON WOOD IMPORTER NOTED THAT ALTHOUGH CONTINUED USE OF LUMBER WAS ADVANTAGEOUS TO WOOD MERCHANTS, HIS FIRM WAS CONDUCTING AN EXPERIMENT TO DEMONSTRATE THE ADVANTAGES OF PLYWOOD.

5. WOOD IMPORTERS CONTACTED ALL STATE THAT U.S. F.O.B. PRICES WERE FULLY COMPETITIVE WITH PRICES RECEIVED FROM OTHER SUPPLIERS, BUT CITED TWO MAJOR DRAWBACKS: 1) WOOD CANNOT READILY SUPPORT THE HIGH SHIPPING COSTS AND 2) U.S. LUMBER COMES IN WRONG DIMENSIONS, PARTICULARLY, WIDTH AND DEPTH. AVERAGE PRICE QUOTATIONS RECENTLY RECEIVED CIF TUNIS ARE DOLS 200/CUBIC METER FOR CHOICE HARDWOODS; DOLS 165/CUBIC METER FOR FOURTH CHOICE HARDWOODS; DOLS 115-120/CUBIC METER FOR SOFTWOOD (E.G. CANADIAN SPRUCE DOLS 116/CUBIC METER).

6. RECENT RELAXATION OF IMPORT RESTRICTIONS HAS ALLOWED WOOD MERCHANTS TO ACQUIRE A QTE NORMAL UNQTE STOCK OF THREE TO FOUR MONTHS REQUIREMENTS. STOCKS OF CERTAIN WOODS, SPECIFICALLY DOUGLAS FIR AND YELLOW PINE, DUE TO THEIR UNPOPULARITY, ARE ESTIMATED BY AN OFFICIAL OF THE WOOD IMPORTERS GROUP AT TWO YEARS REQUIREMENTS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TUNIS 01395 071710Z

7. MAJOR WOOD IMPORTERS ARE:

A) SUCCURSALE EL ESSVIK - 7 AVE. BOURGUIBA, TUNIS

B) ANCIENS ETS. NOREL ET LIVET - 31 RUE NAHAS PACHA, TUNIS

C) BOIS ET DERIVES - 7 RUE DU TRAIN, TUNIS

D) MAISON TEMIMI - 16-18 AVE. KHEREDDINE PACHA, TUNIS
"BOIS ET DERIVES" IS "GROUPEMENT" REPRESENTING WOOD
IMPORTERS, THE SECRETARY GENERAL IS MOHAMED AYEDI-
31 RUE NAHAS PACHA, TUNIS.

8. COMMENT AND CONCLUSION: TUNISIAN MARKET IS OPEN TO
U.S. WOOD PRODUCTS PROVIDED PRICE IS RIGHT. ON OTHER HAND,
TECHNICAL CHARACTERISTICS OF CERTAIN U.S. WOODS CAUSING
UNACCUSTOMED DIFFICULTIES AND PROBLEMS IN WORKING THE WOODS
MITIGATES AGAINST THEIR USE IN TUNISIA. YELLOW PINE, FOR
EXAMPLE, WAS HIGHLY PRAISED FOR ITS QUALITY BUT GIVEN LITTLE
CHANCE OF SUCCESS IN THE TUNISIAN MARKET. WE DO NOT, RPT NOT,
BELIEVE TUNIS WOULD BE A PROMISING STOP FOR A TRADE MISSION.
INDIVIDUALS PROMOTING SALE OF U.S. WOOD WILL FIND RECEPTIVE
BUYERS IN TUNIS, BUT MUST COME PREPARED TO MEET PRICES AND TO
PROVIDE GOOD TRANSPORTATION SCHEDULES. ONLY UPCOMING PROJECT
WHICH MAY REQUIRE LARGE IMPORTATION OF WOOD FOR CROSS TIES IS
PLANNED RENOVATION OF TUNIS-SFAX RAIL ROAD, AND NEW CONSTRUCTION
OF SFAX-TRIPOLI RAIL LINE.

9. STATISTICAL APPENDIX SOURCE: STATISTIQUES DU COMMERCE
EXTERIEUR DE LA TUNISIE (1973)

LUMBER (INCLUDING ROUGH SQUARED AKD SAWED AND PEELED)

SOURCE	VALUE (\$ MIL)
--------	----------------

YUGOSLAVIA	4.464
------------	-------

USSR	3.546
------	-------

CANADA	1.218
--------	-------

FINLAND	0.879
---------	-------

AUSTRIA	0.767
---------	-------

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 TUNIS 01395 071710Z

FRANCE	0.744
--------	-------

TURKEY	0.144
--------	-------

USA	0.008
-----	-------

OTHER	1.230
-------	-------

SEELYE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 07 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TUNIS01395
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750081-0626
From: TUNIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750370/aaaacifp.tel
Line Count: 159
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 SECSTATE 39568
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 30 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 MAY 2003 by RuthemTJ>; APPROVED <26 FEB 2004 by CollinP0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEAR EAST MARKETS FOR U.S. WEST COATS LUMBER AND PLYWOOD
TAGS: BEXP, TS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006